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17 FEB 1960

FINANCIAL POLICY MEMORANDUM 60-3

SUBJECT: Miscellaneous Costs Incident to Procurement

1. The Agency's bulk stock procurement allotment accounts were established to provide fund control and facilitate procurement activities. As a matter of general policy all costs are charged to an appropriate cost account.

2. It has developed that the Office of Logistics prefers not to "capitalize" or carry in its stock records the varying incidental charges, such as taxes, accessories or servicing, which occur in connection with some stock procurement since to do so would necessitate keeping individual stock record cards (at varying prices) for each separate item of like materiel. In the absence of some provision for costing these incidental charges they have been costed to the Agency bulk stock account symbols, which are allotment symbols only.

3. The Budget Division will establish cost accounts which will provide for the collection of these costs in fiscal year 1960 as a basis for a decision to either make these costs a regular Office of Logistics cost or develop some way to charge them to the eventual consumer.


Deputy Comptroller
Chairman

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